

**United States Environmental Protection Agency
Criminal Investigation Division
Investigative Activity Report**

Case Number

0500-0614

Case Title:

Village of Crestwood, IL

Reporting Office:

Chicago, IL, Area Office

Subject of Report:

Interview of (b) (7)(C) on April 23, 2009

Activity Date:

April 23, 2009

Copies to:

Related Files:

Reporting Official and Date:

(b) (7)(C), SA

24-APR-2009, Signed by: (b) (7)(C), SA

Approving Official and Date:

(b) (7)(C), SAC

27-APR-2009, Approved by: (b) (7)(C)

SYNOPSIS

04/23/2009 - On April 23, 2009, (b) (7)(C) was interviewed. (b) (7)(C) in the Water Commissioner for the Village of Alsip, IL, (b) (7)(C) provided agents with details of (b) (7)(C) dealings with the Village of Crestwood. In addition, (b) (7)(C) indicated that (b) (7)(C) was aware that Crestwood was using the well water so that they could keep water costs low for consumers.

DETAILS

On April 23, 2009, (b) (7)(C), Water Commissioner for the Village of Alsip, IL was interviewed by this reporting agent (b) (7)(C), (b) (7)(C) and Special Agent (b) (7)(C) of the U.S. Environmental Protection Agency Criminal Investigation Division. This interview was conducted at (b) (7)(C) office.

Prior to beginning the interview, (b) (7)(C) requested that (b) (7)(C) keep the content of this interview to (b) (7)(C), and not to disclose to anyone that (b) (7)(C) had talked with agents. (b) (7)(C) agreed.

In summary and not verbatim unless otherwise noted, (b) (7)(C) provided the following information:

(b) (7)(C) has worked for the Village of Alsip for approximately 29 years. (b) (7)(C) began working for the water department in 1987.

(b) (7)(C) has had contact in the past with Crestwood water department personnel, but it is very infrequent. The last day of each month, there is a meter reading in Crestwood to determine how much water they have received from Alsip. Officials from Crestwood rarely meet (b) (7)(C) there, but from time to time, a Crestwood employee will show up.

(b) (7)(C) indicated that they had known for years that Crestwood was using the well to supplement the water purchased from Alsip. This was because

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from time to time, a story would come out about how Crestwood was selling water cheaper to their residents than Alsip, even though Crestwood was buying water from Alsip. (b) (7)(C) knew that the only way that Crestwood could do that would be to use the well.

(b) (7)(C) indicated that (b) contacted the IEPA many years ago about Crestwood using the well, and (b) (7)(C) had the impression that the IEPA was aware of its use. This was surprising to (b) (7)(C), as (b) did not believe that wells were to be used any longer in Cook County, where Lake Michigan water was available. (b) (7)(C) indicated that Crestwood would be saving \$2.20 for every 1000 gallons of water pumped from the well, as they would not have to purchase it from Alsip. (b) (7)(C) indicated that the IEPA told (b) that as long as the well was being sampled, it was ok for use. When (b) (7)(C) asked the IEPA person who was doing the sampling, (b) did not get an answer. (b) (7)(C) cannot recall who (b) talked with at the IEPA for any of these conversations. (b) (7)(C) estimated that (b) first call to the IEPA was around 1986 or 1987.

(b) (7)(C) indicated that the use of well water would have been a huge cost savings for Crestwood. There was no overhead expenses to be paid to Alsip. Since Crestwood owned the well, they could get the water for nothing. This is how (b) (7)(C) believes Crestwood kept their water rates so low, and was also able to refund property tax money to residents.

Alsip is required to submit monthly pumping records to the IEPA. However, the report lists the total amount pumps. There is not separate line items for Palos Heights and Crestwood, both of which get their water from Alsip. (b) (7)(C) indicated that Crestwood's monthly reports would reflect the total gallons pumped into their system.

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